

MARCH NEWS LETTER

San Francisco, March 5, 1953.

ALL P.F.E. EMPLOYES:

P.F.E. Loadings

	1953			1952		
	<u>PFE Cars</u>	<u>Foreigns</u>	<u>Total</u>	<u>PFE Cars</u>	<u>Foreigns</u>	<u>Total</u>
Feb.....	27,786	2,529	30,315	29,654	3,120	32,774
Jan-Feb.	60,035	5,543	65,578	58,411	5,893	64,304

CAR SITUATION: Severe storms on U.P. February 19th resulted in bad interruption in movement of empties across line for four days. This, combined with heavy loadings of potatoes in Idaho and canned goods in Northern California, created some shortages starting on February 27th. Car supplies were reduced at a rapid rate in Idaho and Northern California necessitating movement of empties from Southern California to Northern California to alleviate shortages. With resumption of normal service, car supplies are being improved gradually although small shortages in Northern California will extend into first few days of March.

CROP CONDITIONS: Of considerable concern because of early bloom due to unusually mild weather is the cold spell in California that started February 21st with below freezing temperatures and heavy frosts. The weather has moderated but should the cold recur it could cause severe damage to fruit crops. In fact, it may have already resulted in damage to shipping tonnage. Potatoes in the Edison Section are reported to have been retarded about two weeks which will make for normal season, whereas it had been expected that maturity would be two weeks early.

Crop Conditions - S.P. Oregon: Potato movement from Klamath Basin will gradually decrease after March 15th. The remaining pears

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ALL F.F.E. EMPLOYEES:

Financial Position

1953	1952	1951	1950	1949	1948
Jan-Feb.	Jan-Feb.	Jan-Feb.	Jan-Feb.	Jan-Feb.	Jan-Feb.
60,052	57,586	51,529	48,315	58,441	52,774
2,543	2,529	2,529	2,529	2,529	2,529
58,509	55,057	48,786	45,786	55,912	50,245

CAR SITUATION: Several storms on U.S. February 1953 resulted in had interruption in movement of empty autos line for four days. This, combined with heavy loadings of potatoes in Idaho and canned goods in Northern California, created some shortages starting on February 20th. Car supplies were reduced at a rapid rate in Idaho and Northern California necessitating movement of empty from Southern California to Northern California to alleviate shortages. With resumption of normal service, car supplies are being improved gradually although small shortages in Northern California will extend into first few days of March.

CROP CONDITIONS: Of considerable concern because of early bloom due to unusually mild weather is the cold spell in California that started February 21st with below freezing temperatures and heavy frosts. The weather has moderated but should the cold weather continue cause severe damage to fruit crops. In fact, it may have already resulted in damage to shipping tomatoes. Potatoes in the Edison Section are reported to have been retarded about two weeks which will make for normal season, whereas it had been expected that maturity would be two weeks early.

Group Conditions - Girl Scouts: Potato movement from Klamath Basin will gradually decrease after March 15th. The remaining pears

in Medford storages are moving out in light volume.

Northern and Central California: The movement of perishables is at low ebb with Porterville citrus cleaning up rapidly. A few Emperor grapes are still moving from storages in Bakersfield. The next perishable crop will be asparagus from the Stockton District. The grass got off to an early start in mid-February due to moderate weather experienced since January; however, freezing temperatures late in February and again on March 1st retarded maturity and stopped shipments for the time being. A few warm days will bring resumption of the harvest.

Southern California: Citrus movement is increasing and winter vegetables are moving from Guadalupe and Oxnard Districts.

Imperial Valley: The lettuce fields are nearing the end of production and shipment will decrease steadily, but the carrot harvest will continue in volume through the month.

Yuma Valley: The spring lettuce deal is at its peak while in Salt River Valley the spring movement is just getting underway.

West Coast of Mexico: Has produced a heavy crop of tomatoes which have been moving in good volume for some weeks.

T&NO: Poor markets continue to hold down the vegetable movement from Rio Grande Valley.

CROP SITUATION ALONG U.P. R.R.: Potato shipments from Idaho continued light the first part of the month with heavy supplies of Maine potatoes reaching eastern and mid-western markets at prices that eliminated Idaho competition. By latter part of the month, however, track holdings had declined, markets improved and there was a flurry of Idaho shipments that were sustained the last week of

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Northern and Central California: The movement of potatoes is at low ebb with Portland still about shipping up rapidly. A few exporters are still moving from storage in Bakerfield. The next potato crop will be shipped from the Stockton District. The crop got off to an early start in mid-February due to moderate weather experienced since January; however, freezing temperatures late in February and again in March but retarded maturity and stopped shipments for the time being. A few warm days will bring resumption of the harvest.

Southern California: Little movement is increasing and winter vegetables are moving from Coachella and Oxnard Districts.
Imperial Valley: The lettuce fields are nearing the end of production and shipment will decrease steadily, but the carrot harvest will continue in volume through the month.
Yuma Valley: The spring lettuce deal is at its peak while in Salt River Valley the spring movement is just getting underway.
West Coast of Mexico: Has produced a heavy crop of tomatoes which have been moving in good volume for some weeks.
Texas: Poor markets continue to hold down the vegetable movement from Rio Grande Valley.

CROP SITUATION ALONG U.P. R.R.: Potato shipments from Idaho

continued light the first part of the month with heavy supplies of Maine potatoes reaching eastern and mid-western markets at prices that eliminated Idaho competition. By latter part of the month, however, truck holdings had declined, markets improved and there was a flurry of Idaho shipments that were sustained the last week of

February. With cooler weather now prevailing, potatoes in storage will keep better. Onion shipments from Idaho remain steady. Conditions are reported normal for fruit crop which is estimated somewhat lighter than last year. Increased facilities for handling quick frozen foods are in prospect. In Utah plans are being made to increase celery, onion and radish acreage and there is some talk about returning to cantaloupe production in the Moapa Valley. In the Pacific Northwest shipments have been normal but storage holdings of apples and pears are considerably higher than a year ago. In the Eastern District, western Nebraska potato shipments have been slow due to unfavorable markets but some increase is expected in March. Colorado potato shipments are decreasing with most of the remaining crop to move by truck.

SAFETY: Our Colton, California, Car Shop can take real pride in the safety record established by eleven of its members. The S.P. Bulletin for January carried the following item under a group photograph of these safe employes:

"337 years without a lost-time injury is the enviable record set by 11 members of Colton PFE Car Department. John Osborn, 29 years; Joaquin Fernandez, 29; Bertram S. Brown, 37; Felipe Garcia, 34; Arthur M. Jones, 32; Harry F. Householder, 31; Tandy R. Wear, Jose Prieto, Francis I. Capehart, Elmer W. Holladay and Robert W. Nicol, 29 years each. Brown, Householder and Nicol are foremen."

Our congratulations to them!

If any other PFE group can equal or better this record, we would like to know about it.

LOADINGS: Following PFE loadings for the year 1952 will be of interest:

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SAFETY. Our Colton, California, War Shopmen take great pride in the safety record established by eleven of its members. The S.P. Bulletin for January carried the following item under a group photograph of these safe employees:

"337 years without a lost-time injury is the enviable record set by 11 members of the Colton War Shopmen. John Osborn, 29 years; Ferdinand Fernandez, 30; Gertrude S. Brown, 37; Felipe Garcia, 31; Arthur M. Jones, 32; Henry F. Householder, 31; Andy R. West, 30; Fred P. Francis I. Caphart, Elmer W. Holladay and Robert W. Nicol, 29 years each. Brown, Householder and Nicol are foremen."

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LOADINGS: Following PFE loadings for the year 1952 will be of interest:

CARS

Apples	5,248	Pears	12,156
Bananas	14,511	Green peas	1,090
Cantaloupes	24,311	Plums	1,828
Carrots	18,436	Potatoes	81,180
Cauliflower	4,978	Other vegetables	18,846
Celery	12,236	Tomatoes	15,437
Citrus	32,016	Frozen foods	8,806
Tree fruit	4,086	Beverages	3,284
Grapes	18,391	Canned goods	22,971
Lettuce	68,148	Watermelons	1,711
Onions	14,395	Meat & PHP	10,331
Peaches	3,172	Other miscellaneous ..	22,824
Total		420,392	

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At a recent meeting of the United Fresh Fruit & Vegetable Association in Los Angeles, I was privileged to hear a talk by Justus F. Craemer, Commissioner, California Public Utilities Commission, entitled "Transportation and the Fresh Fruit and Vegetable Industry".

Because this talk briefly outlines the history of the transportation of perishables and its effect upon our economy, also some of the reasons for increased cost of doing business, we have had it reproduced with the thought it may be of interest to you folks who, in your respective jobs, play an important part in the movement of vast quantities of fresh vegetables and other perishables to the consumers. Copy is attached to this Bulletin.

Encl.

K. V. PLUMMER

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Bananas	1.090	Bananas	14.511
Cantaloupes	1.828	Cantaloupes	24.311
Carrots	81.180	Carrots	18.436
Cauliflower	18.846	Cauliflower	4.978
Celery	15.437	Celery	12.236
Citrus	8.806	Citrus	32.016
Tree fruit	3.284	Tree fruit	4.086
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Lettuce	1.711	Lettuce	68.148
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R. V. PLUMMER

Encl.

TRANSPORTATION AND THE FRESH FRUIT AND VEGETABLE INDUSTRY

By: Justus F. Craemer, Commissioner,
California Public Utilities Commission.

Looking at the Past

Somewhere a legendary bird is described which flies backward because it is more interested in where it came from than where it is going. Without trying to imitate that strange bird it may aid our perspective of present conditions to review their antecedents.

California, Texas and Florida especially, and other states in a lesser degree, have worked a great change in the dietary habits of this nation. They have done this although not one of those states contributed an important native fruit or vegetable to the national market basket.

Being better acquainted with the development of the production of market fruits and vegetables in California than in either of the other states I will speak more particularly of this State. But what has been done here is more or less what has been done in other western states, notably in Colorado, Idaho and New Mexico, and in the south, especially Texas and Florida.

If you had visited California prior to Father Junipero Serra and the Spanish settlers, you would have found an arid region devoid of a fruit tree. The blackberry, salmon-berry and a few small bush fruits were all then existing in what we now know as California. The Spanish padres brought with them the fruits of the old world - the grape, pear, peach, apple, apricot and fig. The Santa Clara Mission was the site of a flourishing orchard when Captain Vancouver visited it in 1792. So was the mission at Ventura and doubtless the other missions also had their cultivated gardens. The missions were widely separated between San Diego in the south and Sonoma in the north so that those gardens represented oases in an otherwise rather barren desert.

With American occupation during and subsequent to the gold rush the planting of orchards became general wherever settlements sprang up. By the end of the Civil War fruits were so plentiful that some brave pioneer shipped 3 carloads over the newly completed lines of the Central Pacific and Union Pacific in 1869.

In 1873 the navel orange was introduced into California from Brazil. In 1876 the first Valencia orange trees were brought here from a New Jersey nursery which had imported them from England. At Riverside you may see one of the first two navel orange trees brought to the United States. This is one of the progenitors of all our navel oranges since the seedless navel orange is propagated from cuttings.

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Then, as now, New York was one of the most important markets. In fact, the great population and industrial area in Illinois and east, and north of the Mason and Dixon line, has constituted the main markets for both fresh and processed fruits and vegetables. It was also the area which was most profoundly benefited by the availability of fresh market produce.

From personal experience I know of the winter diet of an early day northern and eastern American home when only the fruits and vegetables produced in that area were available. Once the root vegetables were harvested in September and October there were no fresh vegetables produced in that area until the following spring. The western and southern states, by their year-round production, enable the families in the East to enjoy fresh vegetables and fruits when the eastern fields and orchards are frozen over.

Volume of Production and Movement

A great many things have happened in agriculture, in transportation and in every phase of our lives since the southern and western states began to grow a major part of the nation's fresh produce. The volume of market fruit and vegetable production has gone steadily upward, although eating habits have shifted emphasis from one to another kind of fruit or vegetable. For instance, the orange to a great extent replaced the apple in the national diet. The potato is another victim of dietetic change. Today the annual per capita consumption of potatoes is around 100 pounds, representing a decline of nearly 20 percent in the past 15 years.

As growers and distributors of these articles your business has doubtless been affected by these changes. Around 120,000 carloads of fruit are shipped annually from California points. In addition, we now ship about 160,000 carloads of vegetables or, in the aggregate, an average of about 280,000 carloads of fresh fruits and vegetables annually.

Fresh fruits are not shipped in as great volume as 25 years ago. During prohibition days many New York and New Jersey basements housed a winery so 75,000 carloads of California grapes were shipped annually. Less than half this volume moves per year now. The same trend is noted for oranges. As recently as 1942 we shipped over 78,000 carloads of oranges by rail. Less than 65,000 carloads were shipped in 1951, the latest complete year now available.

In the case of oranges we've had less production in recent years and also a heavy diversion of fresh fruit to juice-making. In fact, if it were not for greatly increased vegetable shipments the rail shipments would be less than 200,000 carloads annually from California and under 700,000 in the nation. Our Western, Mountain and Coast production is the last big block of produce traffic left to the rails. Only 25 years ago the rail traffic in fruits and vegetables amounted to over 1,000,000 carloads. In 1951 it was down to 724,000 carloads or nearly 28 percent less than in 1928.

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This brings us to the main topic of this discussion. You, who make your living from this business, know the enormous increase in fruit and vegetable production over the past years. The Federal Department of Agriculture estimates the 1928 market vegetable production at 12,000,000 tons. By 1948 these crops aggregated approximately 18,000,000 tons and undoubtedly this production is still higher today.

Fruit production has not shown so great a gain because the increase in one class like citrus fruits is offset by declines in others like apples. However, the aggregate fruit crop is about 17,000,000 tons, the greater part of which moves to market.

In spite of the large increases in production, the rail movement has steadily declined, as we have noted. Today the bulk of the fresh fruit and vegetables handled by the rail carriers originates in the far west.

In the past 10 years, for which we have complete records, California's share of this traffic has risen from nearly 30 percent to approximately 38 percent. In other words, while total rail shipments in the United States declined from 838,600 cars in 1942 to 723,600 in 1951, shipments from California increased from 249,400 to 273,300. Shipments from other far western states also maintained their level or improved in that period. The principal loss of rail traffic has been experienced in the shorter hauls.

Admittedly this not only creates a problem for the rail carriers but it also creates difficulties for shippers.

The shift from rail to other forms of transportation has caused the rail carriers to depend more and more upon long-haul shipments for their revenues. The successive increases in rail rates during the past several years have accelerated the tendency for the shorter hauls to be diverted to truck transportation. Since the fresh fruit and vegetable traffic is exempt from regulation as to interstate truck rates and charges, this shift tends to give the nearby producers greater advantages in competitive markets.

Those shippers whose traffic is almost wholly dependent on rail service are thus required to contribute a greater and greater proportion of the total revenues which the rails derive from this traffic. In spite of the great increase in operating costs experienced by the railroads, and there is no disputing this fact, I still believe that they will do best by keeping their rates to the very lowest possible level. Otherwise, the shippers from the far west and those from the deep south who now furnish the major part of the fresh fruit and vegetable traffic to the railroads will be driven out of their markets, except during the Fall and Winter when there is no nearby production in the northeastern section of the nation. It may be difficult to visualize this possibility, but I believe the danger is present, especially in view of the great growth of motor transportation within the last decade.

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As said before, much of the present short-haul motor traffic is in

interstate commerce, but exempted from regulation under the present provisions of the Motor Carrier Act.

Rate Structures

The carefully built-up rate structures and rate relationships of the past have undergone great changes in recent years. The pioneer fruit shippers from California paid rates of \$4.25 per 100 pounds for freight train service to reach the New York market and took their chances with the poor refrigeration service provided by the early rail equipment. By successive stages this rate had dropped to \$1.15 by 1917. Under government operation during World War I, a spiral of increases began which still influences our rate level. By 1920 the citrus fruit rate, for example, had reached \$1.92 per 100 pounds.

There followed a long period of downward adjustments between then and 1938 when the rate was down to \$1.35. In March of that year a 5 percent increase was granted the rail carriers and a 3 percent temporary increase was granted in 1942. Subsequent to World War II, the inflation of freight rates again set in. From 1946, when the rate on oranges from California to New York was \$1.35, we have advanced by successive stages until today the rate is \$1.85. The sales value of the orange crop has not increased correspondingly over the past 10 or 12 years. Thus, the pockets of the growers suffer. Every item of expense required to produce this crop, or for that matter any other agricultural crop, has increased since 1940. I have spoken particularly of oranges because of a close association with their production.

The Tax Problem

Speaking of expenses naturally leads to the subject of taxes. We must recognize, of course, that in the present troubled state of the world taxes are, of necessity, on a high plane. However, I believe it is equally well recognized that the complete utilization of our tax revenue dollars should not require so great a burden of taxes. This is particularly true concerning the excise taxes. The 3 percent tax on rail freight transportation, and the 15 percent tax on railroad passenger transportation, and 15 to 25 percent taxes on communications constitute the most discriminating form of taxation from which we suffer. The 3 percent transportation tax is a form of discrimination which works to the serious detriment of the long-haul shipper. Of course, it is also objectionable so far as the short-haul shipper is concerned, but it bears with greatest effect upon those who ship in long-haul movements. Its discriminatory character is illustrated, for example, if we consider the competitive character of the fresh fruit and vegetable traffic.

To illustrate, pears are grown in Washington and in Michigan, both of which states ship a considerable volume to New York. On two cars of equal weight the typical tax on a shipment from Washington will be \$25.00, while the one shipped from Michigan will pay a tax of \$13.00. Similarly, a carload of lettuce from Phoenix, Arizona to New York will be charged a tax of about \$17.00, while a carload of the same commodity

information concerning, but excluded from taxation under the present provisions of the Motor Carriage Act.

Rate Structure

The generally uniform rate structure and rate relationships of the past have undergone great changes in recent years. The pioneer rate shipper from California paid rates of \$4.25 per 100 pounds for the same service to reach the New York market and took their rates with the other rate relationship service provided by the early rail companies. By successive stages this rate had dropped to \$1.15 by 1917. Under government operation during World War I, a refund of 10% was granted which still indicates our rate level. By 1920 the average rate was, for example, had reached \$1.25 per 100 pounds.

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from Sanford, Florida will pay a tax of \$11.00. Many other examples may be cited. You know that the Washington pear cannot be sold in the New York market unless it is fairly competitive with the pears produced in Michigan or in other states. That is also true of Arizona lettuce, of California peaches and of Idaho potatoes. The longer hauls from the distant producing areas justify higher freight rates on these products to a common major market like New York, but the mere fact that a higher transportation rate must be paid does not, in my opinion, justify so great a variance in the taxes collected on each of these transactions.

There should be some way of equalizing these taxes. In the final sale on a free market the long-haul shipper has a sufficient burden to assume in meeting the legitimate freight rate advantage of his nearby competitor. He should not bear an additional burden as a consequence of an excise tax imposed by the Federal Government.

In regard to the 15 percent tax for passenger transportation, it is also the rule that people traveling from and to the far West or the far South are charged in proportion to the amount they pay for their transportation. The taxes assessed on telephone, telegraph and leased wire services are also of great interest to you.

They also bear most heavily upon the Western and Southern users of these services, since in the greater number of instances the basic charges from those points to major market points are higher than would be paid by nearby competitors. The excise taxes collected on transportation and communication in 1950 and 1951 amounted to over $1\frac{1}{4}$ billion dollars. The report for the fiscal year ended June 30, 1952 has not yet been completed but undoubtedly will reflect a large increase over the 1951 collections.

Freight Rate Trends

The present outlook for freight rates is certainly not one that indicates rate reduction. The trend of prices has been upward for many years. Although this trend has slightly flattened out within the last year or is advancing at a lesser rate, there still seems no indication of recession. Rail wages are tied to the cost of living index published by the Federal Department of Labor.

A one point advance in that index gives a one cent per hour increase to rail workers. Although one cent seems a very small amount, its aggregate effect upon the rail operating expenses amounts to nearly \$30,000,000 per year. If the index declines, the reverse occurs and operating expenses decline. In this respect, the decline of one cent per hour in wages which took place in April, 1952, was followed by a two cents per hour increase in July, 1952 and another two cents per hour increase in October, 1952. On January 1, 1953 a decrease of one cent per hour became effective.

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from Stanford, Florida will pay a duty of \$11.00. Many other examples may be cited. You know that the Washington bean cannot be sold in the New York market unless it is fairly competitive with the beans produced in Michigan or in other states. That is also true of Arkansas lettuce, of California peaches and of Idaho potatoes. The industry holds from the distant production areas just like New York, but the on these products to a common major center like New York, but the were transported a higher transportation must be paid, does not, in my opinion, justify so great a variance in the taxes collected on each of these products.

There should be some way of equalizing these taxes. In the first sale on a large market the interstate freight has a significant burden to assume in moving the interstate freight from the advantage of his north competitor. He should not bear an additional burden as a consequence of an excise tax imposed by the Federal Government.

In regard to the 15 percent tax for passenger transportation, it is also true that people traveling from and to the far West or the far South are assessed in proportion to the amount they pay for their transportation. The taxes assessed on telephone, telegraph and leased wire services are also of great interest to you.

They also bear most heavily upon the Western and Southern users of these services, since in the greater number of instances the basic charges from those points to major market points are higher than would be paid by the competitive areas. The excise taxes collected on transportation and communication in 1950 and 1951 amounted to over 1.5 billion dollars. The report for the fiscal year ended June 30, 1952 has not yet been completed but undoubtedly will reflect a large increase over the 1951 collection.

Freight Rates

The present outlook for freight rates is certainly not one that indicates any reduction. The trend of prices has been upward for many years. Although this trend has slightly flattened out within the last year, it is still advancing at a lesser rate. There still seems to be a distinction between the rail rates and the cost of living index published by the Federal Department of Labor.

As you pointed out in that index, it gives a one cent per hour increase to rail workers. Although one cent seems a very small amount, its aggregate effect on the rail operating expenses amounts to nearly \$50,000,000 per year. If the index declines, the average cost of operating expenses declines. In this respect, the decline of one cent per hour in wages which took place in April, 1952, was followed by a two cent per hour increase in July, 1952, and another two cent per hour increase in October, 1952. On January 1, 1953 a decrease of one cent per hour became effective.

It was only last September that the price of steel advanced a further \$2.00 per ton following the settlement of the steel strike.

When we consider the vast amount of steel used by the railroads in their rolling stock and almost every item used in their operations, the cumulative effect of an increase of this kind is tremendous. These increases not only affect the railroads, but also affect the highway carriers and affect each one of you who operates an automobile or truck in his own business.

The carriers also, like ourselves, are paying higher taxes today than ever in their history. This may be partly due to their greater volume, but for the most part, it is due to the fact that taxes are higher. Prior to World War II the railroad operating tax bill was around \$550,000,000. As of 1951, that tax bill exceeded \$1,200,000,000, or an increase of 120%. Obviously, these conditions do not permit operations upon a rate level that was reasonable in 1940, and the taxes paid directly represent only a small part of the real tax bill.

In every transaction involving the purchase of materials and supplies there are both direct and hidden taxes. Many of these become frozen into capital investment, and thus affects the carrier rate structures. Some of these hidden taxes are, for example, the income and excise taxes imposed on raw materials, income and other taxes paid by the manufacturer and included in the sales price, state taxes, taxes imposed by local government such as sales taxes.

All of these are required to be paid by someone and while they ultimately fall upon the consumer they nevertheless are felt by every man engaged in business.

Service and Operating Outlook

A partial offset of higher operating costs has been achieved by rail carriers through dieselizing their freight and passenger trains. This is one of the great improvements in transportation which has contributed more to the financial well-being of the railroads by we yet fully realize.

If at all possible, passenger and express services should be placed on a self-supporting basis. The I.C.C. attributes an out-of-pocket loss to headend and passenger service, amounting in the aggregate to over \$600,000,000 in recent years. In my opinion it is unjust to require the freight shippers to bear the full burden of this loss. Probably not all of the loss incurred in performing these services could be recovered from the charges. Within recent years rates for the transportation of mail have been brought more nearly in line with service costs. Passenger fares should likewise be adjusted where possible, so that the passenger service will not impose an undue burden on freight shippers.

The added costs of freight transport could also, in my opinion, be partly offset by improved service. It is only in the past year or two that rail eastbound service from California shipping points recovered from the unfortunate condition into which it fell during

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World War II. With the restoration of the seventh morning guaranteed delivery at Chicago from California shipping points, rail service is now, for all practical purposes, back to the basis maintained 20 years ago. Of course, it is understood that most of the arrivals are on the sixth morning, but since the guarantee only runs to seventh morning delivery there is, in fact, no obligation to deliver earlier than the guarantee requires.

The extensive dieselization program of railroads should permit further improvements in freight service, and may accelerate the day of guaranteed sixth morning delivery. The shippers also have an obligation in that they should endeavor to clear their cars at the earliest possible closing hour. I am told that the sixth morning arrival at the present time is made possible by a closing hour of 8:00 p.m. at the California shipping points.

With cooperation between shippers and carriers there appears no good reason why the guarantee should not be extended to sixth morning Chicago arrival with proportionate times to other markets. This would place the distant shippers on a better footing with the nearer producers, most of whom ship by motor carriers.

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